



815 SIXTEENTH STREET, N.W.  
WASHINGTON, D.C. 20008

JOHN J. SWEENEY  
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RICHARD L. TRUMKA  
SECRETARY-TREASURER

LINDA CHAVEZ-THOMPSON  
EXECUTIVE VICE-PRESIDENT

## **LEGISLATIVE ALERT!**

(202) 637-5090

September 30, 2002

Dear Representative:

The AFL-CIO urges you to vote against H.R. 5469, when it is taken up under suspension of the rules this week. The bill, introduced just last week by Rep. James Sensenbrenner, would abruptly suspend for six months royalty payments due October 20 to musicians, performing artists and copyright artists for the digital transmission of their sound recordings. H.R. 5469 should be rejected for the following reasons:

The Digital Millennium Recording Act of 1998 established the right of performers, musicians and copyright holders to receive compensation for the digital re-transmissions of their sound recordings.

The royalty rate was set earlier this year by the Copyright Arbitration Royalty Panel (CARP), and while the parties have exercised their legal rights to appeal the decision, no delay in the timetable for payment of royalties is permissible under law. Yet the Sensenbrenner proposal would delay for six months retroactive royalty payments due this month.

Webcasters have known about this obligation since 1998. Since then, they have continued to use performers' music for free while awaiting the royalty rate to be set. Performers, meanwhile, have received nothing for the free use of their creative works.

Webcasters' businesses are based upon the use of performers' recorded music – music in which performers have invested their time, money and talent. Webcasters should pay a fair market price for the use of that music, rather than expecting artists to subsidize them.

The overwhelming number of vocalists and musicians are not headliners; rather, they are artists struggling to make a living in a very tough business. And every year, thousands of musicians are forced to abandon their creative endeavors because they cannot earn a living. We urge you to vote against H.R. 5469 and against any further delay in the payment of fair royalties for musicians.

Sincerely,

William Samuel, Director  
DEPARTMENT OF LEGISLATION